

Message Text

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INFO OCT-01 ISO-00 L-03 SS-15 ACDA-12 EUR-12 EA-10
ARA-10 NEA-10 DOE-15 SOE-02 AID-05 CEA-01 CIAE-00
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APPROVED BY OES/NET:L.NOSENZO
T/D - MR. WELCH
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S/AS - MR. KELLEY
EUR/RPE - MR. SALISBURY
EA/J - MR. OROWN
ARA - MR. RONDON
NEA/INS - MR. THIBAUT
DOE - MR. BENGELSDORF

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R 120059Z ARR 78
FM SECSTATE WASHDC
TO AMEMBASSY CANBERRA
AMEMBASSY VIENNA
AMEMBASSY HELSINKI
AMEMBASSY JAKARTA
AMEMBASSY OSLO
AMEMBASSY MANILA
AMEMBASSY LISBON
AMEMBASSY BERN
AMEMBASSY BANGKOK
AMEMBASSY ANKARA
AMEMBASSY CARACAS
AMEMBASSY BOGOTA 4843-4861
AMEMBASSY ATHENS
AMEMBASSY KUALA LUMPUR
AMEMBASSY RABAT
AMEMBASSY LAGOS
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AMEMBASSY LIMA
AMEMBASSY TOKYO
AMEMBASSY LAPAZ
AMEMBASSY SEOUL
AMEMBASSY STOCKHOLM
AMEMBASSY OTTAWA

AMEMBASSY TEHRAN
AMEMBASSY BUCHAREST
AMEMBASSY JIDDA
AMEMBASSY MEXICO
AMEMBASSY BELGRADE
AMEMBASSY PRETORIA
AMEMBASSY MADRID
AMEMBASSY BRUSSELS
AMEMBASSY TEL AVIV
AMEMBASSY CAIRO
AMEMBASSY TAIPEI
AMEMBASSY BUENOS AIRES
AMEMBASSY BRASILIA
AMEMBASSY NEW DELHI
AMEMBASSY ISLAMABAD
AMEMBASSY PARIS
AMEMBASSY LONDON
AMEMBASSY BONN
AMEMBASSY LUXEMBOURG
AMEMBASSY THE HAGUE
AMEMBASSY DUBLIN
AMEMBASSY ROME
AMEMBASSY COPENHAGEN

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USIAEA ALSO FOR EMBASSY, USEEC ALSO FOR EMBASSY
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C O R R E C T E D C O P Y (5. (G) LINE 6 OMITTED; ARTICLE 4
FIRST LINE OF ITEM 4 OMITTED; ARTICLE 14, ITEM 1 LINE 7
OMITTED)

E.O. 11652: GDS

TAGS: ENRG, MNUC, TECH, PARM

SUBJECT: NEGOTIATION OF AGREEMENTS FOR PEACEFUL NUCLEAR
COOPERATION

REF: A) STATE A-1055 B) STATE 62186 C) STATE 60855
D) STATE 39449

1. NUCLEAR NON-PROLIFERATION ACT OF 1978 (PUBLIC LAW
95-242) WAS SIGNED INTO LAW ON MARCH 10. TEXT IS CONTAINED
IN REF (A). THE LAW (SECTION 404) CALLS FOR AN IMMEDIATE
PROGRAM TO RENEGOTIATE EXISTING AGREEMENTS FOR NUCLEAR
COOPERATION. THIS TELEGRAM TRANSMITS TEXT OF NEW U.S.
MODEL AGREEMENT WHICH HAS BEEN APPROVED BY DEPUTY SECRETARY

UNDER CIRCULAR 175 PROCEDURES AS BASIS FOR SUCH RENEGOTIATIONS AND (WITH APPROPRIATE CHANGES BY DELETING REFERENCES TO PREVIOUS AGREEMENTS) FOR NEGOTIATIONS OF NEW AGREEMENTS, AND PROVIDES FOR INITIATING CONTACT WITH SELECTED GOVERNMENTS ON THIS MATTER.

2. NEGOTIATING TEAMS FROM WASHINGTON WILL UNDERTAKE MAJOR BILATERAL AND MULTILATERAL (EURATOM) NEGOTIATIONS BUT ONCE PATTERN FOR NEW AGREEMENTS HAS BEEN ESTABLISHED, EMBASSIES ABROAD MAY BE ASKED TO CARRY OUT SOME NEGOTIATIONS AND WE MAY CONDUCT SOME THROUGH EMBASSIES IN WASHINGTON. WE WILL

PROVIDE INSTRUCTIONS, GUIDANCE AND EXPLANATORY MATERIALS AS NECESSARY.

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3. WE WILL PREPARE AN ARTICLE BY ARTICLE COMMENTARY ON MODEL AGREEMENT AND PROVIDE IT FOR YOUR BACKGROUND AS SOON AS POSSIBLE. MODEL AGREEMENT HAS BEEN DRAFTED TO MEET ALL THE REQUIREMENTS OF NEW U.S. LAW. FURTHER, IT REFLECTS ESSENTIALLY ALL TECHNICAL CHANGES MADE TO DATE IN ALMOST COMPLETED NEGOTIATIONS WITH IRAN, THE FIRST UNDERTAKEN UNDER THE NEW LAW. IN SOME CASES WE MAY HAVE TO NEGOTIATE ACCOMPANYING EXCHANGE OF NOTES TO INDICATE MANNER IN WHICH USG INTENDS TO IMPLEMENT CERTAIN PROVISIONS IN MODEL AGREEMENT, BUT THIS WILL BE DONE ON A CASE BY CASE BASIS AND ONLY WHEN NECESSARY.

4. IN SETTING UP OUR NEGOTIATING SCHEDULE, WE WILL BE GUIDED BY THE FOLLOWING FACTORS:

-- WHETHER THE PARTY IN QUESTION IS LIKELY TO AGREE TO U.S. REQUIREMENTS FOR COOPERATION (EITHER BECAUSE OF SHARED NON-PROLIFERATION PERCEPTIONS OR THE DESIRE FOR U.S. SUPPLIES). ALTHOUGH WE HAVE SOME PRECONCEPTIONS ABOUT HOW PARTICULAR STATES ARE LIKELY TO RESPOND TO OUR MODEL AGREEMENT, WE WILL HAVE TO WAIT UNTIL THESE STATES HAVE REACTED TO THE REQUIREMENTS OF OUR LEGISLATION AND THE SPECIFIC LANGUAGE OF OUR MODEL AGREEMENTS AND UNTIL WE HAVE RECEIVED VIEWS OF POSTS BEFORE WE CAN MAKE A FULL ASSESSMENT OF THIS FACTOR.

-- WHETHER THE PARTY'S NUCLEAR PROGRAM REQUIRES AN EARLY AGREEMENT WITH THE U.S.

--WHETHER THE COUNTRY IS PARTY TO THE NPT

-- THE PRECEDENTIAL EFFECT OF AN AGREEMENT WITH THE PARTY (E.G. WILL THE AGREEMENT ENHANCE AND GIVE MOMENTUM TO

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OUR NEGOTIATION PROGRAM)

-- U.S. DESIRE FOR EARLY RENEGOTIATION IN PARTICULAR CASES

-- SCHEDULING OPPORTUNITIES

5. IN PRESENTING MODEL AGREEMENT TO HOST GOVERNMENTS
SPECIFIED BELOW, POSTS MAY DRAW ON FOLLOWING:

(A) ON MARCH 10 THE PRESIDENT SIGNED INTO LAW THE NUCLEAR
NON-PROLIFERATION ACT OF 1978. THIS LAW CLARIFIES U.S.
NUCLEAR EXPORT POLICY, AND WE ARE CONFIDENT THAT AS WE
MOVE TO IMPLEMENT THIS NEW LEGISLATION IT WILL BE CLEAR

THAT THE U.S. REMAINS STRONGLY COMMITTED TO FULFILLING ITS
INTERNATIONAL OBLIGATION TO COOPERATE IN THE PEACEFUL USES
OF ATOMIC ENERGY AND TO BE A RELIABLE NUCLEAR SUPPLIER TO
COUNTRIES SUPPORTING U.S. NON-PROLIFERATION OBJECTIVES.

(B) MODEL AGREEMENT REFLECTS REQUIREMENTS IN NEW NON-
PROLIFERATION LEGISLATION FOR NEW AND AMENDED AGREEMENTS
FOR COOPERATION. FYI: THERE ARE VARIOUS WAYS TO COMPLY
WITH THESE REQUIREMENTS, AND WE WILL BE PREPARED TO DIS-
CUSS ALTERNATIVE FORMULATIONS WHICH STILL MEET THE STATU-
TORY PROVISIONS. WE WILL ALSO BE PREPARED TO CONSIDER
AMENDING EXISTING AGREEMENTS AS A LESS PREFERABLE BUT
ACCEPTABLE ALTERNATIVE TO REPLACING THEM WITH NEW MODEL.
END FYI.

(C) CURRENT AGREEMENTS ALREADY CONTAIN MOST OF THE RE-
QUIREMENTS FOR NEW AGREEMENTS SET FORTH IN THE LAW, AND
THE ADDITIONAL REQUIREMENTS CALLED FOR BY THE LAW, WHILE
SOMEWHAT STRICTER DO NOT REPRESENT A MAJOR DEPARTURE FROM
PAST U.S. NUCLEAR COOPERATION POLICY.

(D) WE ARE PREPARED IN PRINCIPLE TO COMMENCE NEGOTIATIONS
AS SOON AS HOST GOVERNMENTS WISH TO FACILITATE SCHEDULING
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WE WOULD APPRECIATE AN EARLY INDICATION OF WHEN HOST
GOVERNMENT WILL BE READY TO BEGIN DISCUSSIONS. FYI. WE
WOULD ALSO WELCOME EMBASSY COMMENTS AND ADVICE ON TACTICS,
TIMING, AND ANY SPECIAL CONSIDERATIONS CONCERNING NEGO-
TIATIONS. END FYI.

(E) QUESTIONS ON REQUIREMENTS AND INTERPRETATION OF THE LAW ARE ENCOURAGED. FYI: BECAUSE OF HIGHLY TECHNICAL NATURE OF SUBJECT MATTER AND COMPLEXITY OF NEW STATUTE, POSTS SHOULD NOT ATTEMPT TO INTERPRET THE LAW OR MODEL AGREEMENT ON THEIR OWN, BUT SHOULD REFER QUESTIONS TO WASHINGTON FOR RESPONSE. END FYI.

(F) FOR ALL ACTION ADDRESSEES EXCEPT BOGOTA AND LA PAZ: THIS MODEL AGREEMENT PROVIDES FOR COOPERATION IN BOTH THE POWER AND RESEARCH FIELDS. IN THOSE CASES WHERE A COUNTRY DESIRES TO COOPERATE IN RESEARCH RELATED AREAS BUT HAS NOT YET DEVELOPED CONCRETE PLANS FOR NUCLEAR POWER PROGRAMS, THIS MODEL AGREEMENT WILL BE APPROPRIATELY SIMPLIFIED TO PROVIDE FOR COOPERATION IN RESEARCH OTHER THAN POWER AND RESEARCH.

(G) FOR BOGOTA AND LA PAZ: SINCE WE UNDERSTAND THAT AT THIS TIME HOST COUNTRY IS INTERESTED ONLY IN RESEARCH REACTOR, THIS MODEL AGREEMENT IS APPROPRIATELY MODIFIED TO PROVIDE FOR COOPERATION IN RESEARCH ONLY. UNDER THE NUCLEAR NON-PROLIFERATION ACT, RESEARCH AGREEMENTS IN

RELATION TO A REACTOR CAPABLE OF PRODUCING LESS THAN FIVE THERMAL MEGAWATTS NEED ONLY BE SUBMITTED TO THE CONGRESS FOR THIRTY DAYS BEFORE TAKING EFFECT. THIS IS CONSIDERABLY SIMPLER THAN THE PROCEDURES FOR POWER AGREEMENTS, AND SUCH AGREEMENTS MAY BE MODIFIED IN THE FUTURE TO ACCOMMODATE CONFIDENTIAL

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POWER PROGRAMS WHEN THE NEED ARISES.

6. FOR VIENNA, HELSINKI, JAKARTA, CANBERRA, OSLO, MANILA, LISBON, BERN, BANGKOK, ANKARA, SEOUL, STOCKHOLM AND CARACAS: WE HAVE EXISTING NUCLEAR COOPERATION AGREEMENTS WITH HOST GOVERNMENTS AND WOULD LIKE YOU TO PASS THEM NEW U.S. MODEL AND EXPLAIN LEGISLATIVE MANDATE TO SEEK RE-NEGOTIATION. TIMETABLE FOR NEGOTIATIONS HAS NOT YET BEEN ESTABLISHED, AND WILL BE DEVELOPED ON BASIS OF CRITERIA IN PARA 4 ABOVE AND COMMENTS RECEIVED FROM EMBASSIES AND GOVERNMENTS IN RESPONSE TO THIS CABLE. WE WILL THEN DEVELOP LIST OF COUNTRIES WITH WHICH WE WOULD PROPOSE EARLY NEGOTIATIONS.

7. FOR TOKYO: PLEASE PASS MODEL AGREEMENT TO GOJ IN PREPARATION FOR NOSENZO VISIT APRIL 24-25.

8. FOR ATHENS, BOGOTA: PREVIOUS AGREEMENTS WITH THESE COUNTRIES HAVE EXPIRED, AND WE ARE NOW IN A POSITION TO RENEW COOPERATION UNDER TERMS OF THE NEW LAW. AS PROMISED, WE ARE PREPARED TO GIVE COLOMBIA EARLY ATTENTION IN NEGO-

TIATION OF A NEW RESEARCH AGREEMENT, BUT EMBASSY SHOULD INDICATE INCREASING USG CONCERN AT CONTINUED FAILURE OF GOC TO MOVE FORWARD ON ITS TREATY OF TLATELOLCO SAFEGUARDS AGREEMENT. WHILE SUCH INACTION WILL NOT AFFECT U.S. WILLINGNESS TO BEGIN NEGOTIATIONS, WE WOULD EXPECT THAT THIS SAFEGUARDS AGREEMENT WOULD ENTER INTO FORCE BEFORE COOPERATION COULD BEGIN UNDER ANY NEW AGREEMENT.

9. FOR JAKARTA: AT POST DISCRETION YOU MAY SUBMIT TEXT TO APPROPRIATE AUTHORITIES. WE WOULD NOT, HOWEVER, WANT GOI CONSIDERATION OF MODEL AGREEMENT TO CONFLICT WITH OR DELAY FINAL INDONESIAN ACTION ON NPT. IF YOU PASS THE TEXT, YOU SHOULD INDICATE THAT IMPENDING NPT RATIFICATION WILL FACILITATE CONSIDERATION OF THIS NEW AGREEMENT, WHICH COULD ALLOW FOR EXPANDING THE SCOPE OF OUR COOPERATION TO CONFIDENTIAL

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INCLUDE POWER APPLICATIONS.

10. FOR ANKARA: WE BELIEVE IT APPROPRIATE TO STRONGLY REEMPHASIZE PREVIOUS GUIDANCE THAT HIGHLIGHTED IMPORTANCE OF NPT IN CONNECTION WITH RENEGOTIATION, PARTICULARLY IN VIEW OF INDICATIONS THAT SOME GOT OFFICIALS BELIEVE THAT NPT RATIFICATION WILL FACILITATE THE DEVELOPMENT OF ITS POWER PROGRAM. FURTHERMORE, USG ABILITY TO SUCCESSFULLY

CONCLUDE AN EXPANSION OF PRESENT AGREEMENT TO ENCOMPASS POWER APPLICATIONS MAY DEPEND HEAVILY ON SUCH ACTION.

11. FOR LAGOS AND LA PAZ: WHILE NOTING IMPORTANCE U.S. ATTACHES TO HOST GOVERNMENTS NPT PARTY STATUS, YOU SHOULD URGE THEM TO COMPLETE ACTION ON THEIR NPT SAFEGUARDS AGREEMENT SINCE DOING SO WOULD FULFILL ONE OF THE REQUIREMENTS FOR BRINGING ANY SUCH BILATERAL COOPERATION AGREEMENT INTO FORCE. (BOLIVIA SIGNED ITS AGREEMENT IN 1974, BUT IT HAS NEVER ENTERED INTO FORCE SINCE GOB HAS NOT INFORMED THE IAEA THAT ITS DOMESTIC STATUTORY AND CONSTITUTIONAL REQUIREMENTS HAVE BEEN MET. AS OF NOVEMBER 1977 U.S. MISSION TO IAEA REPORTED THAT NIGERIAN AGREEMENT WAS UNDER ACTIVE NEGOTIATION.)

12. FOR RABAT. PLEASE PROVIDE COPY TO GOM NOTING THAT THIS MODEL INCORPORATES REVISIONS REQUIRED BY NEW LAW ND THEREFORE DIFFERS FROM DRAFT GIVEN TO MOROCCANS LAST DECEMBER. THIS WAS EXPLAINED TO MINISTER OF MINES MOUSSA SAADI DURING HIS MARCH 24 CALL ON DEPUTY ASSISTANT SECRETARY NOSENZO.

13. FOR KUALA LUMPUR: YOU SHOULD ASSURE MALAYSIAN OFFI-

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CIALS THAT PROVIDING DRAFT BILATERAL AGREEMENT TEXT DOES NOT REFLECT LESSENING OF U.S. PLEDGE TO PROVIDE RESEARCH REACTOR AND FUEL THROUGH THE IAEA, BUT WOULD PROVIDE THE BASIS FOR FACILITATING THE EXPANSION OF U.S.-MALAYSIAN NUCLEAR COOPERATION OVER THE LONG TERM.

14. FOR LIMA: IN PRESENTING DRAFT MODEL AGREEMENT, PLEASE INDICATE THAT NEGOTIATIONS OF BILATERAL AGREEMENT FOR COOPERATION WOULD NOT AFFECT QUADRILATERAL SUPPLY AGREEMENT WHEREBY ARGENTINA WILL SUPPLY U.S. ORIGIN FUEL TO PERU THROUGH THE IAEA FOR USE IN AN ARGENTINA SUPPLIED REACTOR.

15. FOR OTTAWA: ON MARCH 13 WE EXCHANGED MODEL AGREEMENTS WITH CANADIANS. WE AGREED TO BEGIN DISCUSSIONS THIS SPRING LEADING TO A NEW AGREEMENT.

16. FOR CAIRO AND TEL AVIV: BECAUSE AGREEMENTS WERE INITIALED IN 1976, WE ANTICIPATE WORKING ON BASIS OF 1976 DRAFTS AND PROPOSING AMENDMENTS NECESSARY TO REFLECT NEW REQUIREMENTS NOT ALREADY CONTAINED IN THOSE TEXTS. YOU SHOULD THUS NOT PROVIDE MODEL AGREEMENT. WE WILL DEVELOP AND TRANSMIT PARTICULAR PROPOSED CHANGES TO 1976 TEXTS AS SOON AS POSSIBLE.

17. FOR OTHER INFO ADDRESSEES: THERE ARE SPECIAL

CIRCUMSTANCES CONCERNING NEGOTIATIONS WITH HOST COUNTRIES AND WILL BE SUBJECT TO SPECIAL INSTRUCTIONS AS APPROPRIATE. MODEL AGREEMENT IS FOR POST INFORMATION ONLY AND SHOULD NOT RPT NOT BE PASSED TO HOST GOVERNMENTS.

18. FOLLOWING IS TEXT OF MODEL AGREEMENT. FYI: WE HAVE PROVIDED TWO VERSIONS OF ARTICLE 4 BELOW. FIRST VERSION COVERS POWER AND RESEARCH COOPERATION. SECOND VERSION IS LIMITED TO RESEARCH COOPERATION AND SHOULD BE USED IN CONFIDENTIAL

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PLACE OF FIRST VERSION BY LA PAZ AND BOGOTA, AS WELL AS OTHER POSTS WHERE HOST COUNTRY INTERESTED IN RESEARCH-ONLY AGREEMENT. IN THESE CASES, ALSO INSERT "RESEARCH" BEFORE "REACTORS" IN ARTICLE 3, PARA 1(A). OTHER ACTION ADDRESSEES SHOULD PROVIDE HOST GOVERNMENTS WITH MODEL AGREEMENT CONTAINING FIRST VERSION OF ARTICLE 3 AND 4.

END FYI.

BEGIN TEXT.

AGREEMENT FOR COOPERATION BETWEEN THE UNITED STATES OF
AMERICA AND
CONCERNING PEACEFUL USES OF NUCLEAR ENERGY

THE GOVERNMENT OF THE UNITED STATES AND THE GOVERN-
MENT OF ,

CONSIDERING THEIR CLOSE COOPERATION IN THE DEVELOP-
MENT, USE AND CONTROL OF PEACEFUL USES OF NUCLEAR ENERGY
PURSUANT TO THE AGREEMENT FOR COOPERATION BETWEEN THE
UNITED STATES AND CONCERNING CIVIL USES OF ATOMIC
ENERGY, SIGNED ;

REAFFIRMING THEIR COMMITMENT TO ENSURING THAT THE
INTERNATIONAL DEVELOPMENT AND USE OF NUCLEAR ENERGY FOR
PEACEFUL USES ARE CARRIED OUT UNDER ARRANGEMENTS WHICH
WILL, TO THE MAXIMUM POSSIBLE EXTENT, PREVENT THE PRO-
LIFERATION OF NUCLEAR EXPLOSIVE DEVICES;

DESIRING TO CONTINUE AND EXPAND THEIR COOPERATION IN
THIS FIELD;

AFFIRMING THEIR SUPPORT OF THE OBJECTIVES OF THE
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STATUTE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY (STA-
TUTE) (FOR NPT PARTIES ADD: , AND THEIR DESIRE TO PROMOTE
UNIVERSAL ADHERENCE TO THE TREATY ON THE NON-PROLIFERA-
TION OF NUCLEAR WEAPONS (NPT)); AND,

MINDFUL THAT PEACEFUL NUCLEAR ACTIVITIES MUST BE
UNDERTAKEN WITH A VIEW TO PROTECTING THE INTERNATIONAL
ENVIRONMENT FROM RADIOACTIVE, CHEMICAL AND THERMAL CON-
TAMINATION;

HAVE AGREED AS FOLLOWS:

ARTICLE 1 (SCOPE OF COOPERATION)

1. THE UNITED STATES AND SHALL COOPERATE
IN THE USE OF NUCLEAR ENERGY FOR PEACEFUL PURPOSES IN
ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT AND
THEIR APPLICABLE TREATIES, NATIONAL LAWS, REGULATIONS
AND LICENSE REQUIREMENTS.

2. TRANSFERS OF INFORMATION, MATERIAL AND EQUIPMENT

UNDER THIS AGREEMENT MAY BE UNDERTAKEN DIRECTLY BETWEEN THE PARTIES OR THROUGH AUTHORIZED PERSONS UNDER THEIR JURISDICTION. SUCH TRANSFERS SHALL BE SUBJECT TO THIS AGREEMENT AND TO SUCH ADDITIONAL TERMS AND CONDITIONS AS

MAY BE AGREED BY THE PARTIES.

3. COOPERATION UNDER THIS AGREEMENT SHALL REQUIRE THE APPLICATION OF INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA) SAFEGUARDS WITH RESPECT TO ALL NUCLEAR ACTIVITIES WITHIN THE TERRITORY OF , UNDER ITS JURISDICTION OR CARRIED OUT UNDER ITS CONTROL ANYWHERE. IMPLEMENTATION OF A SAFEGUARDS AGREEMENT PURSUANT TO ARTICLE III(4) OF THE NPT SHALL BE CONSIDERED TO FULFILL THE REQUIREMENT STATED IN THE FOREGOING SENTENCE.
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ARTICLE 2 (DEFINITIONS)

FOR THE PURPOSES OF THIS AGREEMENT:

(A) "BY-PRODUCT MATERIAL" MEANS ANY RADIOACTIVE MATERIAL (EXCEPT SPECIAL NUCLEAR MATERIAL) YIELDED IN OR MADE RADIOACTIVE BY EXPOSURE TO THE RADIATION INCIDENT TO THE PROCESS OF PRODUCING OR UTILIZING SPECIAL NUCLEAR MATERIAL.

(B) "EQUIPMENT" MEANS ANY PRODUCTION OR UTILIZATION FACILITY (INCLUDING URANIUM ENRICHMENT AND NUCLEAR FUEL REPROCESSING FACILITIES), OR ANY FACILITY FOR THE PRODUCTION OF HEAVY WATER OR THE FABRICATION OF NUCLEAR FUEL CONTAINING PLUTONIUM, OR ANY OTHER ITEM SO DESIGNATED BY AGREEMENT OF THE PARTIES.

(C) "HIGH ENRICHED URANIUM" MEANS URANIUM ENRICHED TO TWENTY PERCENT OR GREATER IN THE ISOTOPE 235.

(D) "LOW ENRICHED URANIUM" MEANS URANIUM ENRICHED TO LESS THAN TWENTY PERCENT IN THE ISOTOPE 235.

(E) "MATERIAL" MEANS SOURCE MATERIAL, SPECIAL NUCLEAR MATERIAL OR BY-PRODUCT MATERIAL, RADIOISOTOPES OTHER THAN BY-PRODUCT MATERIAL, MODERATOR MATERIAL, OR ANY OTHER SUCH SUBSTANCE SO DESIGNATED BY AGREEMENT OF THE PARTIES.

(F) "MAJOR CRITICAL COMPONENT" MEANS ANY COMPONENT OR GROUP OF COMPONENT PARTS ESSENTIAL TO THE OPERATION OF A SENSITIVE NUCLEAR FACILITY.

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(G) "MODERATOR MATERIAL" MEANS ANY HEAVY WATER, OR GRAPHITE OR BERYLLIUM OF A PURITY SUITABLE FOR USE IN A REACTOR TO SLOW DOWN HIGH VELOCITY NEUTRONS AND INCREASE THE LIKELIHOOD OF FURTHER FISSION, OR ANY OTHER SUCH

MATERIAL SO DESIGNATED BY AGREEMENT OF THE PARTIES.

(H) "PARTIES" MEANS THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF .

(I) "PERSON" MEANS ANY INDIVIDUAL OR ANY ENTITY SUBJECT TO THE JURISDICTION OF EITHER PARTY BUT DOES NOT INCLUDE THE PARTIES TO THIS AGREEMENT.

(J) "PEACEFUL PURPOSES" INCLUDE THE USE OF INFORMATION, MATERIAL AND EQUIPMENT IN SUCH FIELDS AS RESEARCH, POWER GENERATION, MEDICINE, AGRICULTURE AND INDUSTRY BUT DO NOT INCLUDE USE IN, RESEARCH ON OR DEVELOPMENT OF ANY NUCLEAR EXPLOSIVE DEVICE, OR ANY OTHER MILITARY PURPOSE.

(K) "PREVIOUS AGREEMENT" MEANS (CITE CURRENT OR PREVIOUS AGREEMENTS FOR COOPERATION).

(L) "PRODUCTION FACILITY" MEANS ANY NUCLEAR REACTOR DESIGNED OR USED PRIMARILY FOR THE FORMATION OF PLUTONIUM OR URANIUM 233, ANY FACILITY DESIGNED OR USED FOR THE SEPARATION OF THE ISOTOPES OF URANIUM OR PLUTONIUM, ANY FACILITY DESIGNED OR USED FOR THE PROCESSING OF IRRADIATED MATERIALS CONTAINING SPECIAL NUCLEAR MATERIAL, OR ANY OTHER ITEM SO DESIGNATED BY AGREEMENT OF THE PARTIES.

(M) "REACTOR" MEANS ANY APPARATUS, OTHER THAN A NUCLEAR WEAPON OR OTHER NUCLEAR EXPLOSIVE DEVICE, IN WHICH A SELF-SUSTAINING FISSION CHAIN REACTION IS MAINTAINED BY UTILIZING URANIUM, PLUTONIUM OR THORIUM, OR
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ANY COMBINATION THEREOF.

(N) "RESTRICTED DATA" MEANS ALL DATA CONCERNING
(I) DESIGN, MANUFACTURE, OR UTILIZATION OF NUCLEAR WEAPONS, (II) THE PRODUCTION OF SPECIAL NUCLEAR MATERIAL, OR (III) THE USE OF SPECIAL NUCLEAR MATERIAL IN THE

PRODUCTION OF ENERGY, BUT SHALL NOT INCLUDE DATA DECLASSIFIED OR REMOVED FROM THE CATEGORY OF RESTRICTED DATA BY THE UNITED STATES.

(O) "SENSITIVE NUCLEAR FACILITY" MEANS ANY FACILITY DESIGNED OR USED PRIMARILY FOR URANIUM ENRICHMENT, REPROCESSING OF NUCLEAR FUEL, HEAVY WATER PRODUCTION, OR FABRICATION OF NUCLEAR FUEL CONTAINING PLUTONIUM.

(P) "SENSITIVE NUCLEAR TECHNOLOGY" MEANS ANY INFORMATION (INCLUDING INFORMATION INCORPORATED IN EQUIPMENT)

WHICH IS NOT IN THE PUBLIC DOMAIN AND WHICH IS IMPORTANT TO THE DESIGN, CONSTRUCTION, FABRICATION, OPERATION OR MAINTENANCE OF ANY SENSITIVE NUCLEAR FACILITY, OR SUCH OTHER INFORMATION SO DESIGNATED BY AGREEMENT OF THE PARTIES.

(Q) "SOURCE MATERIAL" MEANS (I) URANIUM, THORIUM, OR ANY OTHER MATERIAL WHICH SO DESIGNATED BY AGREEMENT OF THE PARTIES, OR (II) ORES CONTAINING ONE OR MORE OF THE FOREGOING MATERIALS, IN SUCH CONCENTRATION AS THE PARTIES MAY AGREE FROM TIME TO TIME.

(R) "SPECIAL NUCLEAR MATERIAL" MEANS (I) PLUTONIUM, URANIUM 233, OR URANIUM ENRICHED IN THE ISOTOPE 235, OR CONFIDENTIAL

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(II) ANY OTHER MATERIAL SO DESIGNATED BY AGREEMENT OF THE PARTIES.

(S) "UTILIZATION FACILITY" MEANS ANY REACTOR OTHER THAN ONE DESIGNED OR USED PRIMARILY FOR THE FORMATION OF PLUTONIUM OR URANIUM 233.

ARTICLE 3 (TRANSFER OF INFORMATION)

1. THE UNITED STATES AND MAY TRANSFER TO EACH OTHER INFORMATION RESPECTING THE USE OF NUCLEAR ENERGY FOR PEACEFUL PURPOSES, INCLUDING INFORMATION RELATING TO SUCH FIELDS AS:

(A) DEVELOPMENT, DESIGN, CONSTRUCTION, OPERATION, MAINTENANCE AND USE OF REACTORS AND REACTOR EXPERIMENTS;

(B) THE USE OF MATERIAL IN PHYSICAL AND BIOLOGICAL RESEARCH, MEDICINE, AGRICULTURE AND INDUSTRY;

(C) FUEL CYCLE STUDIES OF WAYS TO MEET FUTURE
WORLDWIDE CIVIL NUCLEAR NEEDS, INCLUDING MULTILATERAL
APPROACHES TO GUARANTEEING NUCLEAR FUEL SUPPLY AND APPRO-
PRIATE TECHNIQUES FOR MANAGEMENT OF NUCLEAR WASTES;

(D) SAFEGUARDS AND PHYSICAL SECURITY OF
MATERIALS AND EQUIPMENT;

(E) HEALTH, SAFETY AND ENVIRONMENTAL CONSIDERA-
TIONS RELATED TO THE FOREGOING; AND

(F) ASSESSING THE ROLE NUCLEAR POWER MAY PLAY
IN NATIONAL ENERGY PLANS.

2. THIS AGREEMENT DOES NOT REQUIRE THE TRANSFER OF ANY
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INFORMATION WHICH THE PARTIES ARE NOT PERMITTED TO COM-
MUNICATE PURSUANT TO APPLICABLE LAWS, REGULATIONS OR
LICENSE REQUIREMENTS.

3. RESTRICTED DATA SHALL NOT BE COMMUNICATED UNDER THIS
AGREEMENT.

4. SENSITIVE NUCLEAR TECHNOLOGY SHALL NOT BE TRANSFERRED
UNDER THIS AGREEMENT UNLESS SPECIFICALLY PROVIDED BY AN
AMENDMENT TO THIS AGREEMENT.

ARTICLE 4 (TRANSFER OF EQUIPMENT AND MATERIAL) (VERSION
1: POWER AND RESEARCH).

1. EQUIPMENT AND MATERIAL MAY BE TRANSFERRED PURSUANT TO
THIS AGREEMENT FOR SPECIFIED APPLICATIONS. HOWEVER, SEN-
SITIVE NUCLEAR FACILITIES AND MAJOR CRITICAL COMPONENTS
SHALL NOT BE TRANSFERRED UNDER THIS AGREEMENT UNLESS
SPECIFICALLY PROVIDED BY AN AMENDMENT TO THIS AGREEMENT.

2. LOW-ENRICHED URANIUM MAY BE TRANSFERRED FOR USE AS
FUEL IN REACTORS AND IN REACTOR EXPERIMENTS OR FOR CON-
VERSION OR FABRICATION. THE SEPARATIVE WORK REQUIRED TO
PRODUCE THE LOW-ENRICHED URANIUM TRANSFERRED BY THE UNITED
STATES FOR USE AS FUEL IN POWER REACTORS IN ()
SHALL NOT EXCEED THAT NECESSARY TO SUPPORT THE FUEL CYCLES
OF REACTORS HAVING A TOTAL INSTALLED CAPACITY OF ()
MEGAWATTS ELECTRIC.

3. SPECIAL NUCLEAR MATERIAL OTHER THAN LOW-ENRICHED
URANIUM AND MATERIAL CONTEMPLATED UNDER PARA 6 MAY, IF THE
PARTIES AGREE, BE TRANSFERRED FOR SPECIFIED APPLICATIONS
WHERE TECHNICALLY AND ECONOMICALLY JUSTIFIED OR WHERE

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JUSTIFIED FOR THE DEVELOPMENT AND DEMONSTRATION OF REACTOR FUEL CYCLES TO MEET ENERGY SECURITY AND NON-PROLIFERATION OBJECTIVES. (FOOTNOTE: SPECIFIC LIMITATIONS ON THE IMPLEMENTATION OF THIS PROVISION MAY BE SET FORTH IN AN ACCOMPANYING NOTE IN LIGHT OF US POLICY TO KEEP AMOUNT OF HEU IN-COUNTRY TO A MINIMUM WITH REGARD TO EXISTING COMMITMENTS AND ENTER INTO NEW COMMITMENTS ONLY IN CASES OF EXCEPTIONAL MERIT.)

4. THE QUANTITY OF SPECIAL NUCLEAR MATERIAL TRANSFERRED TO _____ UNDER THIS AGREEMENT SHALL NOT AT ANY TIME BE IN EXCESS OF THE QUANTITY THE PARTIES AGREE IS NECESSARY FOR ANY OF THE FOLLOWING PURPOSES: THE LOADING OF REACTORS OR USE IN REACTOR EXPERIMENTS, THE EFFICIENT AND CONTINUOUS OPERATION OF SUCH REACTORS OR CONDUCT OF SUCH REACTOR EXPERIMENTS, AND THE ACCOMPLISHMENT OF OTHER PURPOSE; AS MAY BE AGREED BY THE PARTIES. IN THE EVENT OF ANY EXCESS OF HIGH ENRICHED URANIUM, THE UNITED STATES SHALL HAVE THE RIGHT TO REQUIRE THE RETURN OF ANY HIGH ENRICHED URANIUM TRANSFERRED PURSUANT TO THIS AGREEMENT (INCLUDING IRRADIATED HIGH ENRICHED URANIUM) WHICH CONTRIBUTES TO THIS EXCESS. (FOOTNOTE: IN CERTAIN CASES, WHERE A SIGNIFICANT BUILD-UP OF URANIUM ENRICHED TO CLOSE TO TWENTY PERCENT IS ANTICIPATED, A RIGHT TO REQUIRE THE RETURN OF SUCH MATERIAL MAY ALSO BE INCLUDED.) IF THIS RIGHT IS EXERCISED, THE PARTIES SHALL MAKE APPROPRIATE COMMERCIAL ARRANGEMENTS WHICH SHALL NOT BE SUBJECT TO ANY FURTHER AGREEMENT BETWEEN THE PARTIES AS OTHERWISE CONTEMPLATED UNDER ARTICLES 5 AND 6.

5. ANY HIGH ENRICHED URANIUM TRANSFERRED TO _____ PURSUANT TO THIS AGREEMENT SHALL NOT BE AT A LEVEL OF ENRICHMENT IN THE ISOTOPE 235 IN EXCESS OF LEVELS TO WHICH THE PARTIES AGREE ARE NECESSARY FOR THE PURPOSES

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DESCRIBED IN PARAGRAPH 4.

6. THE UNITED STATES MAY TRANSFER SMALL QUANTITIES OF MATERIAL, INCLUDING SPECIAL NUCLEAR MATERIAL, FOR USE AS SAMPLES, STANDARDS, DETECTORS, TARGETS AND SUCH OTHER PURPOSES AS THE PARTIES MAY AGREE. TRANSFERS PURSUANT

TO THIS PARAGRAPH SHALL NOT BE SUBJECT TO THE QUANTITY LIMITATIONS IN PARAGRAPHS 2 AND 4.

7. THE UNITED STATES SHALL ENDEAVOR TO TAKE SUCH ACTIONS AS MAY BE NECESSARY TO ENSURE A RELIABLE SUPPLY OF NUCLEAR FUEL TO , INCLUDING THE EXPORT OF NUCLEAR MATERIAL ON A TIMELY BASIS AND THE AVAILABILITY OF THE CAPACITY TO CARRY OUT THIS UNDERTAKING DURING THE PERIOD OF THIS AGREEMENT.

ARTICLE 4 (TRANSFER OF EQUIPMENT AND MATERIAL) (VERSION 2: RESEARCH ONLY).

.. EQUIPMENT AND MATERIAL MAY BE TRANSFERRED PURSUANT TO THIS AGREEMENT FOR SPECIFIED RESEARCH APPLICATIONS. HOWEVER, SENSITIVE NUCLEAR FACILITIES AND MAJOR CRITICAL COMPONENTS SHALL NOT BE TRANSFERRED UNDER THIS AGREEMENT UNLESS SPECIFICALLY PROVIDED BY AN AMENDMENT TO THIS AGREEMENT.

2. LOW-ENRICHED URANIUM MAY BE TRANSFERRED FOR USE AS FUEL IN RESEARCH REACTORS AND IN RESEARCH REACTOR EXPERIMENTS.

3. SPECIAL NUCLEAR MATERIAL OTHER THAN LOW-ENRICHED URANIUM AND MATERIAL CONTEMPLATED UNDER PARA 6 MAY, IF THE PARTIES AGREE, BE TRANSFERRED FOR SPECIFIED RESEARCH APPLICATIONS.
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CATIONS WHERE TECHNICALLY AND ECONOMICALLY JUSTIFIED.
(FOOTNOTE: SPECIFIC LIMITATIONS ON THE IMPLEMENTATION OF THIS PROVISION MAY BE SET FORTH IN AN ACCOMPANYING NOTE IN LIGHT OF US POLICY TO KEEP AMOUNT OF HEU IN-COUNTRY TO A MINIMUM WITH REGARD TO EXISTING COMMITMENTS AND ENTER INTO NEW COMMITMENTS ONLY IN CASES OF EXCEPTIONAL MERIT.)

4. THE QUANTITY OF SPECIAL NUCLEAR MATERIAL TRANSFERRED TO () UNDER THIS AGREEMENT SHALL NOT AT ANY TIME BE IN EXCESS OF THE QUANTITY THE PARTIES AGREE IS NECESSARY FOR ANY OF THE FOLLOWING PURPOSES:

THE LOADING OF RESEARCH REACTORS OR USE IN RESEARCH REACTOR EXPERIMENTS, THE EFFICIENT AND CONTINUOUS OPERATION OF SUCH REACTORS OR CONDUCT OF SUCH REACTOR EXPERIMENTS, AND THE ACCOMPLISHMENT OF OTHER RESEARCH PURPOSES AS MAY BE AGREED BY THE PARTIES. IN THE EVENT OF ANY EXCESS OF HIGH ENRICHED URANIUM, THE UNITED STATES SHALL HAVE THE RIGHT TO REQUIRE THE RETURN OF ANY HIGH ENRICHED

URANIUM TRANSFERRED PURSUANT TO THIS AGREEMENT (INCLUDING IRRADIATED HIGH ENRICHED URANIUM) WHICH CONTRIBUTES TO THIS EXCESS. (FOOTNOTE: IN CERTAIN CASES, WHERE A SIGNIFICANT BUILD-UP OF URANIUM ENRICHED TO CLOSE TO TWENTY PERCENT IS ANTICIPATED, A RIGHT TO REQUIRE THE RETURN OF SUCH MATERIAL MAY ALSO BE INCLUDED.) IF THIS RIGHT IS EXERCISED, THE PARTIES SHALL MAKE APPROPRIATE COMMERCIAL ARRANGEMENTS WHICH SHALL NOT BE SUBJECT TO ANY FURTHER AGREEMENT BETWEEN THE PARTIES AS OTHERWISE CONTEMPLATED UNDER ARTICLES 5 AND 6.

5. ANY ENRICHED URANIUM TRANSFERRED TO
PURSUANT TO THIS AGREEMENT SHALL NOT BE AT A
LEVEL OF ENRICHMENT IN THE ISOTOPE 235 IN EXCESS OF LEVELS
TO WHICH THE PARTIES AGREE ARE NECESSARY FOR THE PURPOSES
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DESCRIBED IN PARAGRAPH 4.

6. THE UNITED STATES MAY TRANSFER SMALL QUANTITIES
OF MATERIAL, INCLUDING SPECIAL NUCLEAR MATERIAL, FOR USE
AS SAMPLES, STANDARDS, DETECTORS, TARGETS AND SUCH OTHER
PURPOSES AS THE PARTIES MAY AGREE. TRANSFERS PURSUANT
TO THIS PARAGRAPH SHALL NOT BE SUBJECT TO THE QUANTITY
LIMITATIONS IN PARAGRAPHS 2 AND 4.

7. THE UNITED STATES SHALL ENDEAVOR TO TAKE SUCH
ACTIONS AS MAY BE NECESSARY TO ENSURE A RELIABLE SUPPLY
OF NUCLEAR FUEL TO , INCLUDING THE EXPORT OF
NUCLEAR MATERIAL ON A TIMELY BASIS AND THE AVAILABILITY
OF THE CAPACITY TO CARRY OUT THIS UNDERTAKING DURING THE
PERIOD OF THIS AGREEMENT.

ARTICLE 5 (STORAGE AND RETRANSFERS)

1. MATERIAL TRANSFERRED PURSUANT TO THIS AGREEMENT
AND MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY
MATERIAL OR EQUIPMENT TRANSFERRED PURSUANT TO THIS AGREE-
MENT MAY BE STORED BY EITHER PARTY, EXCEPT THAT EACH
PARTY GUARANTEES THAT NO SUCH PLUTONIUM OR URANIUM 233
(EXCEPT AS CONTAINED IN IRRADIATED FUEL ELEMENTS), OR
HIGH ENRICHED URANIUM OVER WHICH HAS JURIS-
DICTION, SHALL BE STORED IN ANY FACILITY THAT HAS NOT
BEEN AGREED TO IN ADVANCE BY THE PARTIES.

2. MATERIAL OR EQUIPMENT TRANSFERRED PURSUANT TO
THIS AGREEMENT AND ANY SPECIAL NUCLEAR MATERIAL PRODUCED
THROUGH THE USE OF ANY SUCH MATERIAL OR EQUIPMENT MAY BE
RETRANSFERRED BY THE RECIPIENT PARTY, EXCEPT THAT SUCH
PARTY GUARANTEES THAT ANY SUCH MATERIAL OR EQUIPMENT,

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OVER WHICH IT HAS JURISDICTION, SHALL NOT BE TRANSFERRED TO UNAUTHORIZED PERSONS OR, UNLESS THE PARTIES AGREE, BEYOND ITS TERRITORIAL JURISDICTION.

ARTICLE 6 (REPROCESSING AND ENRICHMENT)

1. EACH PARTY GUARANTEES THAT MATERIAL TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT AND MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT WILL NOT BE REPROCESSED UNLESS THE PARTIES AGREE. EACH PARTY GUARANTEES THAT IT WILL NOT, UNLESS THE PARTIES AGREE, ALTER IN FORM OR CONTENT, EXCEPT BY IRRADIATION OR FURTHER IRRADIATION, ANY PLUTONIUM, URANIUM 233, HIGH ENRICHED URANIUM, OR IRRADIATED MATERIALS TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT, OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT.

2. GUARANTEES THAT NO URANIUM TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT, AND NO URANIUM USED IN ANY MATERIAL OR EQUIPMENT SO TRANSFERRED AND UNDER ITS JURISDICTION, WILL BE ENRICHED AFTER TRANSFER UNLESS THE PARTIES AGREE.

ARTICLE 7 (PHYSICAL SECURITY)

1. EACH PARTY GUARANTEES THAT ADEQUATE PHYSICAL SECURITY WILL BE MAINTAINED WITH RESPECT TO ANY MATERIAL

AND EQUIPMENT TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT AND WITH RESPECT TO ANY SPECIAL NUCLEAR MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT.

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JURISDICTION PURSUANT TO THIS AGREEMENT.

2. THE PARTIES AGREE TO THE LEVELS FOR THE APPLICATION OF PHYSICAL SECURITY SET FORTH IN ANNEX A, WHICH LEVELS MAY BE MODIFIED BY MUTUAL CONSENT OF THE PARTIES WITHOUT AMENDMENT OF THIS AGREEMENT. THE PARTIES SHALL

MAINTAIN ADEQUATE PHYSICAL SECURITY MEASURES IN ACCORDANCE WITH SUCH LEVELS. THESE MEASURES SHALL AS A MINIMUM PROVIDE PROTECTION COMPARABLE TO THAT SET FORTH IN DOCUMENT INFCIRC/225/REV. 1 OF THE IAEA ENTITLED, "THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL", AS IT MAY BE UPDATED.

3. THE ADEQUACY OF PHYSICAL SECURITY MEASURES MAINTAINED PURSUANT TO THIS ARTICLE SHALL BE REVIEWED BY THE PARTIES PERIODICALLY AND WHENEVER EITHER PARTY IS OF THE VIEW THAT REVISED MEASURES MAY BE REQUIRED TO MAINTAIN ADEQUATE PHYSICAL SECURITY.

4. EACH PARTY SHALL IDENTIFY THOSE AGENCIES OR AUTHORITIES HAVING RESPONSIBILITY FOR ENSURING THAT LEVELS OF PHYSICAL SECURITY ARE ADEQUATELY MET AND HAVING RESPONSIBILITY FOR COORDINATING RESPONSE AND RECOVERY OPERATIONS IN THE EVENT OF UNAUTHORIZED USE OR HANDLING OF MATERIAL SUBJECT TO THIS ARTICLE. EACH PARTY SHALL ALSO DESIGNATE POINTS OF CONTACT WITHIN ITS NATIONAL AUTHORITIES TO COOPERATE ON MATTERS OF OUT-OF-COUNTRY TRANSPORTATION AND OTHER MATTERS OF MUTUAL CONCERN.

5. THE PROVISIONS OF THIS ARTICLE SHALL BE IMPLEMENTED IN SUCH MANNER AS TO AVOID HAMPERING, DELAY OR UNDUE INTERFERENCE IN THE PARTIES' NUCLEAR ACTIVITIES AND SO AS TO BE CONSISTENT WITH PRUDENT MANAGEMENT PRACTICES REQUIRED FOR THE ECONOMIC AND SAFE CONDUCT OF THE PARTIES' NUCLEAR PROGRAMS.

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TICES REQUIRED FOR THE ECONOMIC AND SAFE CONDUCT OF THE PARTIES' NUCLEAR PROGRAMS.

; ARTICLE 8 (NO EXPLOSIVE OR MILITARY APPLICATION)

EACH PARTY GUARANTEES THAT NO MATERIAL OR EQUIPMENT TRANSFERRED TO AND UNDER ITS JURISDICTION PURSUANT TO THIS AGREEMENT AND NO MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY SUCH MATERIAL OR EQUIPMENT SO TRANSFERRED TO AND UNDER ITS JURISDICTION SHALL BE USED FOR ANY

NUCLEAR EXPLOSIVE DEVICE, FOR RESEARCH ON OR DEVELOPMENT OF ANY NUCLEAR EXPLOSIVE DEVICE, OR FOR ANY OTHER MILITARY PURPOSE.

ARTICLE 9 (SAFEGUARDS)

1. THE UNITED STATES SHALL HAVE THE RIGHT TO REVIEW THE DESIGN OF ANY REACTOR, AND OTHER EQUIPMENT WHICH ARE

TO BE TRANSFERRED PURSUANT TO THIS AGREEMENT TO
, OR WHICH ARE TO USE, FABRICATE, PROCESS,
OR STORE ANY MATERIAL SO TRANSFERRED OR ANY SPECIAL
NUCLEAR MATERIAL USED IN OR PRODUCED THROUGH THE USE OF
SUCH MATERIAL OR EQUIPMENT.

2. THE UNITED STATES SHALL HAVE THE RIGHT TO
E
REQUIRE
THE MAINTENANCE AND PRODUCTION OF RECORDS AND TO REQUEST
AND RECEIVE REPORTS FOR THE PURPOSE OF ASSISTING IN EN-
SURING THE ACCOUNTABILITY FOR ANY MATERIAL TRANSFERRED
TO BY THE UNITED STATES PURSUANT TO
THIS AGREEMENT AND ANY SOURCE MATERIAL OR SPECIAL NUCLEAR
MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY
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MATERIAL OR EQUIPMENT SO TRANSFERRED.

3. FOR PURPOSES OF ENSURING THERE IS COMPLIANCE
WITH THIS AGREEMENT, THE UNITED STATES SHALL AS NECESSARY
TO ACCOUNT FOR THE MATERIAL SUBJECT TO PARAGRAPH 2, HAVE
THE RIGHT TO:

(A) DESIGNATE PERSONNEL ACCEPTABLE TO
, WHO, ACCOMPANIED, IF EITHER PARTY SO REQUESTS,
BY PERSONNEL DESIGNATED BY , SHALL HAVE

ACCESS IN TO ALL RELEVANT PLACES AND DATA.
SHALL NOT UNREASONABLY WITHHOLD ACCEPTANCE
OF SUCH PERSONNEL DESIGNATED BY THE UNITED STATES.

(B) INSPECT ANY RELEVANT EQUIPMENT OR
FACILITY;

(C) INSTALL ANY RELEVANT DEVICES, AND

(D) MAKE SUCH RELEVANT INDEPENDENT MEASURE-
MENTS AS MAY BE DEEMED NECESSARY.

4. MATERIAL OR EQUIPMENT REQUIRED TO BE SAFEGUARDED
UNDER THIS AGREEMENT SHALL BE SUBJECT TO SAFEGUARDS
UNDER AN AGREEMENT BETWEEN AND THE IAEA.
THE RIGHTS OF THE UNITED STATES TO APPLY SAFEGUARDS UNDER
PARAGRAPHS 1, 2 AND 3 OF THIS ARTICLE SHALL BE SUSPENDED

IF THE UNITED STATES AGREES THAT THE NEED TO EXERCISE
SUCH RIGHTS IS BEING SATISFIED BY THE APPLICATION OF
IAEA SAFEGUARDS.

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5. EACH PARTY SHALL ESTABLISH AND MAINTAIN A SYSTEM OF ACCOUNTING FOR AND CONTROL OF ALL MATERIAL TRANSFERRED PURSUANT TO THIS AGREEMENT AND ANY MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT SO TRANSFERRED, TO BE BASED ON A STRUCTURE OF MATERIAL BALANCE AREAS AND TO INCLUDE SUCH MEASURES AS:

(A) A MEASUREMENT SYSTEM, WHICH CONFORMS TO THE INTERNATIONAL STANDARDS OR IS EQUIVALENT IN QUALITY TO SUCH STANDARDS, FOR THE DETERMINATION OF THE QUANTITIES OF MATERIAL RECEIVED, PRODUCED, SHIPPED, LOST OR OTHERWISE REMOVED FROM INVENTORY, AND THE QUANTITIES ON INVENTORY;

(B) THE EVALUATION OF PRECISION AND ACCURACY OF MEASUREMENTS AND THE ESTIMATION OF MEASUREMENT UNCERTAINTY;

(C) PROCEDURES FOR IDENTIFYING, REVIEWING AND EVALUATING DIFFERENCES BETWEEN SHIPPER AND RECEIVER MEASUREMENTS;

(D) PROCEDURES FOR TAKING A PHYSICAL INVENTORY;

(E) PROCEDURES FOR THE EVALUATION OF ACCUMULATIONS OF UNMEASURED INVENTORY AND UNMEASURED LOSSES;

(F) A SYSTEM OF RECORDS AND REPORTS SHOWING, FOR EACH MATERIAL BALANCE AREA, THE INVENTORY OF NUCLEAR MATERIAL AND THE CHANGES IN THAT INVENTORY INCLUDING RECEIPTS INTO AND TRANSFERS OUT OF THE MATERIAL BALANCE AREA;

(G) PROVISIONS TO ENSURE THAT THE ACCOUNTING PROCEDURES AND ARRANGEMENTS ARE BEING OPERATED CORRECTLY; AND

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(H) OTHER SYSTEMS OF MEASUREMENT CONTAINMENT AND SURVEILLANCE AS ARE NECESSARY TO FACILITATE THE APPLICATION OF SAFEGUARDS.

6. UPON REQUEST OF THE UNITED STATES,

SHALL REPORT OR PERMIT THE IAEA TO REPORT TO THE UNITED STATES ON THE STATUS OF ALL INVENTORIES OF ANY MATERIALS SUBJECT TO PARAGRAPH 2 OF THIS ARTICLE (ADD FOR NON-PARTIES TO NPT: AND ON THE STATUS OF ALL INVENTORIES OR OTHER SOURCE OR SPECIAL NUCLEAR MATERIAL IN SUBJECT TO IAEA SAFEGUARDS).

7. GUARANTEES IT SHALL MAINTAIN THE SAFEGUARDS REQUIRED BY THIS AGREEMENT AND SHALL FACILITATE THE APPLICATION OF SUCH SAFEGUARDS.

8. THE PROVISIONS OF THIS ARTICLE SHALL BE IMPLEMENTED IN SUCH MANNER AS TO AVOID HAMPERING, DELAY OR UNDUE INTERFERENCE IN NUCLEAR ACTIVITIES AND SO AS TO BE CONSISTENT WITH PRUDENT MANAGEMENT PRACTICES REQUIRED FOR THE ECONOMIC AND SAFE CONDUCT OF NUCLEAR PROGRAMS.

ARTICLE 10 (MULTIPLE SUPPLIER CONTROLS)

IF AN AGREEMENT BETWEEN EITHER PARTY AND ANOTHER NATION OR GROUP OF NATIONS PROVIDES SUCH OTHER NATION OR GROUP OF NATIONS RIGHTS EQUIVALENT TO ANY OR ALL OF THOSE SET FORTH UNDER ARTICLES 5, 6, OR 7 WITH RESPECT TO MATERIAL OR EQUIPMENT SUBJECT TO THIS AGREEMENT, THE PARTIES MAY, UPON THE REQUEST OF EITHER OF THEM, AGREE THAT THE IMPLEMENTATION OF SUCH RIGHTS WILL BE ACCOMMODATED.

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PLISHED BY SUCH OTHER NATION OR GROUP OF NATIONS.

ARTICLE 11 (CESSATION OF COOPERATION)

1. IN THE EVENT , AT ANY TIME FOLLOWING ENTRY INTO FORCE OF THIS AGREEMENT:

(A) DOES NOT COMPLY WITH THE PROVISIONS OF ARTICLES 5, 6, 7, 8 OR 9;

(B) DETONATES A NUCLEAR EXPLOSIVE DEVICE;

(C) TERMINATES, ABROGATES, OR MATERIALLY VIOLATES AN IAEA SAFEGUARDS AGREEMENT;

(D) ENGAGES IN, OR ASSISTS, ENCOURAGES, OR INDUCES ANY NON-NUCLEAR-WEAPON STATE TO ENGAGE IN, ACTIVITIES INVOLVING SOURCE OR SPECIAL NUCLEAR MATERIAL AND HAVING DIRECT SIGNIFICANCE FOR THE MANUFACTURE OF NUCLEAR EXPLOSIVE DEVICES; OR

(E) ENTERS INTO AN AGREEMENT AFTER THE ENTRY INTO FORCE OF THIS AGREEMENT FOR THE TRANSFER OF REPROCESSING EQUIPMENT, MATERIAL, OR TECHNOLOGY TO ITS SOVEREIGN CONTROL OR TO THE SOVEREIGN CONTROL OF ANOTHER

NON-NUCLEAR WEAPON STATE EXCEPT IN CONNECTION WITH AN INTERNATIONAL FUEL CYCLE EVALUATION IN WHICH BOTH PARTIES PARTICIPATE OR PURSUANT TO A SUBSEQUENT INTERNATIONAL AGREEMENT OR UNDERSTANDING TO WHICH BOTH PARTIES SUBSCRIBE,

THE UNITED STATES SHALL HAVE THE RIGHT TO

(I) CEASE FURTHER COOPERATION UNDER THIS AGREEMENT; AND
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(II) REQUIRE THE RETURN OF ANY MATERIAL AND EQUIPMENT TRANSFERRED UNDER THIS AGREEMENT AND ANY SPECIAL NUCLEAR MATERIAL PRODUCED THROUGH THE USE THEREOF.

2. IN THE EVENT THE UNITED STATES EXERCISES ITS RIGHTS UNDER THIS ARTICLE TO REQUIRE THE RETURN OF ANY MATERIAL OR EQUIPMENT, THE UNITED STATES SHALL PAY THE COST OF SHIPMENT AND, AFTER RETURN TO THE UNITED STATES, SHALL REIMBURSE THE FAIR MARKET VALUE OF SUCH MATERIAL OR EQUIPMENT LESS THE REASONABLE COST OF SHIPMENT. IN THE EVENT THIS RIGHT IS EXERCISED, THE PARTIES SHALL MAKE SUCH OTHER APPROPRIATE ARRANGEMENTS AS MAY BE REQUIRED WHICH SHALL NOT BE SUBJECT TO ANY FURTHER AGREEMENT BETWEEN THE PARTIES AS OTHERWISE CONTEMPLATED UNDER ARTICLES 5 AND 6.

ARTICLE 12 (PREVIOUS AGREEMENT TERMINATED)

1. THE "AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF [REDACTED] CONCERNING CIVIL USES OF ATOMIC ENERGY" SIGNED ON [REDACTED], AS AMENDED, SHALL TERMINATE ON THE DATE THIS AGREEMENT ENTERS INTO FORCE.

2. COOPERATION INITIATED UNDER THE PREVIOUS AGREEMENT SHALL CONTINUE IN ACCORDANCE WITH THE PROVISIONS OF THE PRESENT AGREEMENT. ALL THE PROVISIONS OF THIS AGREEMENT SHALL APPLY TO MATERIAL AND EQUIPMENT SUBJECT TO THE PREVIOUS AGREEMENT.

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ARTICLE 13 (CONSULTATIONS AND ENVIRONMENTAL PROTECTION)

1. THE PARTIES UNDERTAKE TO CONSULT AT THE REQUEST OF EITHER PARTY REGARDING THE IMPLEMENTATION OF THIS AGREEMENT AND THE DEVELOPMENT OF FURTHER COOPERATION IN

THE FIELD OF PEACEFUL USES OF NUCLEAR ENERGY.

2. THE PARTIES SHALL CONSULT, WITH REGARD TO ACTIVITIES UNDER THIS AGREEMENT, TO IDENTIFY THE INTERNATIONAL ENVIRONMENTAL IMPLICATIONS ARISING FROM SUCH ACTIVITIES AND SHALL COOPERATE IN PROTECTING THE INTERNATIONAL ENVIRONMENT FROM RADIOACTIVE, CHEMICAL OR THERMAL CONTAMINATION ARISING FROM PEACEFUL NUCLEAR ACTIVITIES UNDER THIS AGREEMENT AND IN RELATED MATTERS OF HEALTH AND SAFETY.

ARTICLE 14 (FINAL PROVISIONS)

1. EACH OF THE PARTIES SHALL PROVIDE THE OTHER PARTY WITH WRITTEN NOTIFICATION THAT IT HAS COMPLIED WITH ITS APPLICABLE REQUIREMENTS FOR ENTRY INTO FORCE OF THIS AGREEMENT. THIS AGREEMENT SHALL ENTER INTO FORCE ON THE DATE ON WHICH THE LATTER OF SUCH NOTIFICATION IS RECEIVED, AND SHALL REMAIN IN FORCE FOR A PERIOD OF YEARS. THIS TERM MAY BE EXTENDED FOR SUCH ADDITIONAL PERIODS AS MAY BE AGREED BETWEEN THE PARTIES IN ACCORDANCE WITH THEIR APPLICABLE REQUIREMENTS.

2. NOTWITHSTANDING THE SUSPENSION, TERMINATION OR EXPIRATION OF THIS AGREEMENT OR ANY COOPERATION HEREUNDER FOR ANY REASON, ARTICLES 5, 6, 7, 8 AND 9 SHALL CONTINUE IN EFFECT SO LONG AS ANY MATERIAL OR EQUIPMENT SUBJECT TO THESE ARTICLES REMAINS IN THE TERRITORY OF THE PARTY CONCERNED OR UNDER ITS JURISDICTION OR CONTROL

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ANYWHERE, OR UNTIL SUCH TIME AS THE PARTIES AGREE THAT SUCH MATERIAL OR EQUIPMENT ARE NO LONGER USEABLE FOR ANY NUCLEAR ACTIVITY RELEVANT FROM THE POINT OF VIEW OF SAFEGUARDS.

IN WITNESS WHEREOF, THE UNDERSIGNED, BEING DULY

AUTHORIZED, HAVE SIGNED THIS AGREEMENT.

DONE AT WASHINGTON, THIS DAY OF 19 ,
IN DUPLICATE, IN THE ENGLISH AND LANGUAGES, BOTH
EQUALLY AUTHENTIC.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF :

ANNEX

PURSUANT TO PARAGRAPH 2 OF ARTICLE 7, THE AGREED
LEVELS OF PHYSICAL SECURITY TO BE ENSURED BY THE COMPETENT
NATIONAL AUTHORITIES IN THE USE, STORAGE AND TRANSPORTA-
TION OF THE MATERIALS LISTED IN THE ATTACHED TABLE SHALL
AS A MINIMUM INCLUDE PROTECTION CHARACTERISTICS AS
FOLLOWS:

CATEGORY III

USE AND STORAGE WITHIN AN AREA TO WHICH ACCESS IS CONTROL-
LED.

TRANSPORTATION UNDER SPECIAL PRECAUTIONS INCLUDING PRIOR
ARRANGEMENTS AMONG SENDER, RECIPIENT AND CARRIER, AND
PRIOR AGREEMENT BETWEEN ENTITIES SUBJECT TO THE JURISDIC-
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TION AND REGULATION OF SUPPLIER AND RECIPIENT STATES,
RESPECTIVELY, IN CASE OF INTERNATIONAL TRANSPORT SPECIFY-
ING TIME, PLACE AND PROCEDURES FOR TRANSFERRING TRANSPORT
RESPONSIBILITY.

CATEGORY II

USE AND STORAGE WITHIN A PROTECTED AREA TO WHICH ACCESS
IS CONTROLLED, I.E., AN AREA UNDER CONSTANT SURVEILLANCE
BY GUARDS OR ELECTRONIC DEVICES, SURROUNDED BY A PHYSICAL
BARRIER WITH A LIMITED NUMBER OF POINTS OF ENTRY UNDER
APPROPRIATE CONTROL, OR ANY AREA WITH AN EQUIVALENT LEVEL
OF PHYSICAL PROTECTION.

TRANSPORTATION UNDER SPECIAL PRECAUTIONS INCLUDING PRIOR
ARRANGEMENTS AMONG SENDER, RECIPIENT AND CARRIER, AND
PRIOR AGREEMENT BETWEEN ENTITIES SUBJECT TO THE JURISDIC-
TION AND REGULATION OF SUPPLIER AND RECIPIENT STATES,
RESPECTIVELY, IN CASE OF INTERNATIONAL TRANSPORT, SPECI-
FYING TIME, PLACE AND PROCEDURE FOR TRANSFERRING TRANS-
PORT RESPONSIBILITY.

CATEGORY I

MATERIALS IN THIS CATEGORY SHALL BE PROTECTED WITH HIGHLY RELIABLE SYSTEMS AGAINST UNAUTHORIZED USE AS FOLLOWS:

USE AND STORAGE WITHIN A HIGHLY PROTECTED AREA, I.E., A PROTECTED AREA AS DEFINED FOR CATEGORY II ABOVE, TO WHICH, IN ADDITION, ACCESS IS RESTRICTED TO PERSONS WHOSE TRUST-WORTHINESS HAS BEEN DETERMINED, AND WHICH IS UNDER

SURVEILLANCE BY GUARDS WHO ARE IN CLOSE COMMUNICATION WITH APPROPRIATE RESPONSE FORCES. SPECIFIC MEASURES TAKEN IN THIS CONTEXT SHALL HAVE AS THEIR OBJECTIVE THE DETECTION AND PREVENTION OF ANY ASSAULT SHORT OF WAR, CONFIDENTIAL

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UNAUTHORIZED ACCESS OR UNAUTHORIZED REMOVAL OF MATERIAL.

TRANSPORTATION UNDER SPECIAL PRECAUTIONS AS IDENTIFIED ABOVE FOR TRANSPORTATION OF CATEGORY II AND III MATERIALS AND, IN ADDITION, UNDER CONSTANT SURVEILLANCE BY ESCORTS AND UNDER CONDITIONS WHICH ASSURE CLOSE COMMUNICATION WITH APPROPRIATE RESPONSE FORCES.

END ANNEX

HOST COUNTRIES: ATTACH THE TABLE FOUND AT PAGE 6 OFIAEADOCUMENT INFCIRC/225/REV. 1, "THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL," DATED JUNE 1977 TO COMPLETE THE PACKAGE. CHRISTOPHER

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